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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE**

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

vs.

STERLING FOREX LLC, a Washington
Limited Liability Corporation, and
MAURICE L. MILLS,

Defendants.

Case No. CV 02-2076

Consent Order of Preliminary
Injunction and Other Equitable Relief

I. INTRODUCTION

Defendants Sterling forex, LLC (“Sterling forex”) and Maurice L. Mills (“Mills”) (collectively, “Defendants”), without admitting or denying the allegations of the Complaint, for the purpose of this Consent Order of Preliminary Injunction and Other Equitable Relief (“Order”), except as to jurisdiction and venue, which they admit, consent to the entry of this Order and state that this consent is entered into voluntarily and that no promise or threat has been made by

1 the Plaintiff, the Commodity Futures Trading Commission (“CFTC”), or any
2 member, officer, agent or representative thereof, to induce Defendants to consent
3 to this Order.
4

5 **II. FINDINGS**

6 **THE PARTIES AGREE AND THE COURT FINDS THAT:**

7
8 A. This Court has jurisdiction over Defendants and the subject matter of
9 this action pursuant to Section 6c of the Commodity Exchange Act, as amended
10 (the “Act”), 7 U.S.C. § 13a-1 (1994), which authorizes the CFTC to seek
11 injunctive relief against any person whenever it shall appear that such person has
12 engaged, is engaging or is about to engage, in any act or practice constituting a
13 violation of any provision of the Act or any rule, regulation or order thereunder.
14

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16 B. Venue properly lies with this Court pursuant to Section 6c of the Act,
17 in that Defendants are found, inhabit or transact business in this district, and the
18 acts and practices in violation of the Act have occurred, are occurring, or are about
19 to occur within this district.
20

21 C. Defendants enter their appearance and acknowledge service of the
22 Summons and Complaint.
23

24 D. Defendants waive the entry of findings of fact and conclusions of law
25 in this action pursuant to Fed. R. Civ. P. 52.
26

27 **III. RELIEF GRANTED**

28 ***A. Prohibitions and Restrictions***

1 **IT IS HEREBY ORDERED** that until final adjudication on the merits may
2 be had, Defendants and all persons insofar as they are acting in the capacity of
3 agents, servants, employees, successors, assigns, or attorneys of Defendants, and
4 all persons insofar as they are acting in active concert or participation with
5 Defendants who receive actual notice of this order by personal service or
6 otherwise including facsimile, are prohibited and restrained from directly or
7 indirectly in or in connection with any order to make, or the making of, any
8 contract of sale of any commodity for future delivery, made, or to be made, for or
9 on behalf of any other persons, where such contract for future delivery was or
10 could be used for (A) hedging any transaction in interstate commerce in such
11 commodity or the products or byproducts thereof, or (B) determining the price
12 basis of any transaction in interstate commerce in such commodity, or (C)
13 delivering any such commodity sold, shipped, or received in interstate commerce
14 for the fulfillment thereof,

- 15
- 16 a. cheating or defrauding or attempting to cheat or defraud other
17 persons; and
18
- 19 b. willfully deceiving or attempting to deceive other persons;
20 all in violation of Section 4b(a)(i) and (iii) of the Act, 7 U.S.C. §
21 6b(a)(i) and (iii) (1994).
22

23 ***B. Prohibition Against Fraudulent Solicitation of New Business***

24 **IT IS FURTHER ORDERED** that Defendants and any other person or
25

1 persons acting in concert or participation with the Defendants are prohibited from
2 soliciting new customers or otherwise soliciting, accepting or receiving funds or
3 other property from an existing or prospective investor in any investment relating
4 to commodity futures contracts and, in particular, foreign currency contracts, in
5 violation of any provision of the Commodity Exchange Act. Defendants are
6 ordered to notify any existing or new customers solicited by Defendants that they
7 have been sued by the CFTC for alleged violations of the anti-fraud provisions of
8 the Act in connection with the solicitation of customer accounts and have
9 consented to the entry of a Preliminary Injunction.
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13 ***C. The Sterling Forex Website***

14 IT IS HEREBY ORDERED that: (1) Defendants shall place notice on the
15 Sterling forex website located at www.sterlingforex.com that Defendants have
16 been sued by the CFTC for alleged violations of the anti-fraud provisions of the
17 Act in connection with the solicitation of customer accounts and have consented to
18 the entry of a Preliminary Injunction; and (2) Defendants shall not engage in any
19 activity which is in violation of any provision of the Commodity Exchange Act on
20 the Sterling forex website or on any other websites over which they have access or
21 control, either at the present time or in the future.
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25 ***D. Maintenance of and Access to Business Records***

26 IT IS HEREBY ORDERED that Defendants and all persons or entities
27 who receive notice of this Order by personal service or otherwise including
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1 facsimile, are restrained and enjoined from directly or indirectly destroying,
2 mutilating, erasing, altering, concealing or disposing of, in any manner, directly or
3 indirectly, any documents that relate to the business practices or business or
4 personal finances of Defendants, their agents, partners, servants, representatives,
5 employees, attorneys, any person(s) acting or purporting to act for or on their
6 behalf, and corporate and partnership entities in which Defendants have a
7 controlling or management interest.
8

9
10 ***E. Inspection and Copying of Books and Records***

11
12 **IT IS FURTHER ORDERED** that representatives of the CFTC be
13 immediately allowed to inspect all books, records, and other documents within the
14 Defendants' possession, custody or control, including any such documents held by
15 their agents, attorneys, partners, servants, representatives, employees, any
16 person(s) acting or purporting to act for or on their behalf, and corporate and
17 partnership entities in which Defendants have an interest, including, but not
18 limited to, electronically stored data, tape recordings, and computer discs,
19 wherever they may be situated and whether they are with Defendants or others,
20 and to copy said documents, data and records, either on or off the premises where
21 they may be situated. The Parties agree that Plaintiff will be given immediate
22 access to all records of Defendants upon reasonable notice by Plaintiff.
23
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26 ***F. Notice to Sterling forex customers.***

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28 **IT IS FURTHER ORDERED** that within five (5) days after the entry of

1 this Order, Defendants shall notify in writing all existing Sterling forex customers
2 that Defendants have been sued by the CFTC for alleged violations of the anti-
3 fraud provisions of the Act in connection with the solicitation of customer
4 accounts and have consented to the entry of a Preliminary Injunction.
5

6 **IV. NOTIFICATION OF COMPLAINTS**

7
8 **IT IS FURTHER ORDERED** that Defendants shall notify the CFTC in
9 writing within five (5) days after receiving any customer or prospective customer
10 complaint, written or oral, concerning Sterling forex or any agent or employee
11 thereof.
12

13 **V. PERSONS BOUND BY THIS ORDER**

14 **IT IS FURTHER ORDERED** that this Order shall be binding upon
15 Defendants, along with those persons in active concert or participation with them
16 who receive actual notice of this Order by personal service or otherwise, including
17 service by facsimile transmission.
18

19 **VI. BOND NOT REQUIRED OF PLAINTIFF**

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21 **IT IS FURTHER ORDERED** that Plaintiff CFTC is an agency of the United
22 States of America and, accordingly, no bond need be posted by the CFTC.
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4 **IT IS FURTHER ORDERED** that this Order shall remain in full force and
5 effect until further order of this Court, and that this Court retains jurisdiction of
6 this matter for all purposes.
7

8 **SO ORDERED**, at Seattle, Washington on this 3rd day of October, 2002, at
9 _____m.

10
11
12 UNITED STATES DISTRICT JUDGE

13 Consented to and
14 Approved for entry by:

15 The Defendants:

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18 Maurice L. Mills

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20 Sterling forex, LLC

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22 Counsel for the Defendants:

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24 Counsel for the Plaintiff:

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26 Louis V. Traeger
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